



Protect SNAP

for Families and
Financial Stability for
Minnesota's Counties

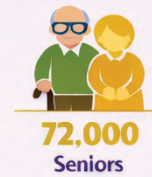


SNAP Provides Essential Food Assistance Across Minnesota

The Supplemental Nutrition Assistance Program (SNAP) is a federal program that provides food assistance to low-income individuals and households—reducing food insecurity and improving nutrition for Minnesotans across the state.

SNAP is a federal entitlement program. The OBBBA/HR1 contained significant policy changes and cost shifts from the federal government to state governments. These changes threaten the statewide stability of the program and in Minnesota, without legislative protection, it also threatens county budgets. Shifting costs to counties would create devastating impacts to county budgets and services across Minnesota, force property tax increases, and undermine county ability to deliver Health and Human Services on behalf of the State at the local level. Minnesota counties urge lawmakers to act now to protect SNAP programming and service stability and protect county taxpayers from bearing the cost burden of federal changes.

440,000 Minnesotans
use **SNAP** each month



45% of SNAP recipients
Live Outside the Metro Area

SNAP Benefit Amount:

About **\$6** per person per day

SNAP Cost Shift to Minnesota



\$86M

SNAP Benefit
Cost Shift



\$39M

SNAP Admin
Cost Shift



Total SNAP Cost Shift to MN

\$125M annually

SNAP Benefit Cost Shift

Under the new law, Minnesota is now responsible for paying for a share of the SNAP benefits that individuals receive, with the exact amount to be determined by the state's "payment error rate." SNAP benefits have been paid in full by the federal government throughout the program's 50-year history.

- **Effective date: October 1, 2027** (based on FY 2025 or FY 2026 error rates).
- **Estimated cost to state = \$86M annually** (see reference table for calculation)

SNAP Admin Cost Shift

Minnesota is also now required to pay for 75% of SNAP administrative costs, up from the current 50% administrative funding.

- **Effective date: October 1, 2026**
- **Estimated lost federal revenue = \$39M annually**

Minnesota Faces Major Cuts in Federal Funding for the SNAP Program

The One Big Beautiful Bill Act (OBBBA/HR 1) makes several major changes to federal funding for SNAP (see graphic at left).

In addition to these funding cost shifts, SNAP recipients will also see other changes, including expanded work requirements and limits on eligibility for noncitizens.

Counties Cannot Afford to Shoulder New SNAP Cost Shifts

Minnesota is one of a handful of states where counties administer the SNAP program. However, direct benefit payment has never been the role of counties, and the combined SNAP benefit and administrative cost shifts would be unsustainable for county property taxpayers. Minnesota should follow the lead of other states and absorb these cost shifts at the state rather than the county level.

We urge lawmakers to support the fiscal stability of Minnesota's 87 counties by:



Capping County Administrative Responsibility at 50%

- The current 50% county cost-share for administrative expenses should be continued.
- Capping the county administrative cost share at current levels would protect counties from a 25-point cost increase in expenses and prevent significant property tax pressure.



Assigning Benefit Cost Share (Payment Error Rate Related Costs) to the State

- SNAP is a federal entitlement program, and the actual benefit was never intended to be paid at the local level.
- The Payment Error Rate is driven by state systems and federal directives, and therefore the state should assume responsibility for any benefit cost-share triggered by OBBBA/HR1.

Protecting counties from the new SNAP cost shifts would ensure:

- Stable and consistent program delivery across all 87 counties.
- Protection from unpredictable federal sanctions.



We urge lawmakers to partner with counties on these statutory clarifications, to preserve essential food assistance and protect county fiscal stability.

A Final Note

The State “Payment Error Rate”—What It Is and What It Isn’t

The new federal law links the amount states must pay in SNAP benefit costs to the state’s “Payment Error Rate” (PER). States must pay 0–15% of SNAP benefit costs according to each state’s individual error rate. Minnesota’s SNAP payment error rate was just under 9% in 2024.¹

Most payment errors result from **unintentional mistakes** during the eligibility determination process, which can result in either overpayment or underpayment of SNAP benefits. For example:

- A client forgets to provide updated income information when re-applying for SNAP benefits.
- A typo is made when new information is entered into an outdated technology system.
- Incomplete documentation is provided by an individual applying for SNAP.
- A misunderstanding takes place in understanding complex eligibility criteria with a new applicant.

Payment errors result primarily from resident confusion about eligibility rules, gaps in the systems that support efficient case processing and determining eligibility, and the lack of support and training to ensure workers can keep up with complex policy and documentation requirements. Notably, a single error can result in members of an entire household being counted as “payment errors,” even if that household is eligible for SNAP benefits.

Payment errors **do indicate unintentional mistakes** often rooted in complex eligibility requirements and outdated technology systems. Payment errors **do not provide evidence of bad intent** on the part of individual SNAP recipients or those assisting with their application and eligibility determinations.

Counties support efforts to reduce Minnesota’s error rate – in collaboration with the legislature and agency staff – with a focus on the factors contributing to these unintentional mistakes. Efforts should include greater systems integration, systems that support eligibility policy changes, and cultivating a trained workforce that is able to foster trusting relationships between clients and county staff.

Beginning in FY 2028, the percentage of benefit costs a state must cover is determined by its most recent payment error rate (typically from FY 2025 or FY 2026 for the initial year).	
SNAP Payment Error Rate (PER)	State Share of Benefit Costs
Less than 6.0%	0% (No cost to state)
6.0% to less than 8.0%	5%
8.0% to less than 10.0%	10%
10.0% or greater	15%

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¹ The benefit cost will be based on the payment error rate data from preceding years. Starting in FY2028 (October 1, 2027), states must pay a portion of SNAP benefits based on the state's FY2025 or FY2026 error rate. Starting in FY2029 and going forward, states' payment rates will be based on the PER from three years prior.